



**Delaware Thoroughbred Racing Commission  
Minutes of Regular Meeting Held On  
February 13, 2013**

The Delaware Thoroughbred Racing Commission held a regular meeting on Wednesday, February 13, 2013, at 10:15 a.m., in the second floor conference room of the Horsemen's Office, located on the grounds of Delaware Park, 777 Delaware Park Boulevard, Wilmington, Delaware 19804.

**The following Commission members were present:**

W. Duncan Patterson, Jr., Chairman
Edward J. Stegemeier, Secretary/Commissioner
Henry James Decker, Commissioner
Debra Killeen, Commissioner

**The following Commission members were absent**

Position Vacant (Bernard J. Daney retired January 2013)
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**The following individuals also were present:**

Ed Kee, Delaware Secretary of Agriculture
Andrew Kerber, Esq., Deputy Attorney General, Commission Counsel
John F. Wayne, DTRC Executive Director
Dr. Jay Baldwin, D.V.M., First Equine, Salix Administration
Fritz Burkhardt, DTRC, Associate State Steward
Robert E. Colton, Delaware Jockey's Association, Director
John Curran, Delaware Park, Announcer
Jeff Ganc, Delaware Park, Assistant Director of Security
Bessie Gruwell, DTHA, Executive Director
Pete Lizarzaburu, Retired Delaware Jockey
Madeline Locke, DTHA, President
John E. Mooney, Delaware Park, Executive Director of Racing
Shelley Perkins, DTRC, Paralegal I (recording minutes)
Dr. John T. Peters, D.V.M., DTRC, Chief Commission Veterinarian
Keli Peterson, Owner/Trainer
Chris Sobocinski, Delaware Park, Racing Development
Joseph Strug, Dalare Associates Inc., Laboratory Director
Francis J. Swift, Jr., DTRC, Inspector
Dr. Jane C. Teichner, V.M.D., DTRC, Associate Commission Veterinarian
Paul Trapani, Owner, DTHA Board Member/Secretary
Michael Vild, Esq., Delaware Park, Sr. Vice President of Racing and General Counsel

1. **WELCOME & CALL TO ORDER**

At 10:15 a.m., Chairman Patterson called the meeting to order and welcomed those in attendance. An audio recorder is in use by the Commission and a digital recording of the meeting is underway.

2. **APPROVAL OF MINUTES**

Upon a motion duly made (Stegemeier) and seconded (Decker) January 9, 2013 meeting minutes were approved as submitted.

3. **OLD BUSINESS**

A. **Status Report – DRA / DTHA 2013 Contract Negotiations**

Secretary of Agriculture Kee and reported, "There have been discussions off and on through January. Basically, we are kind of at a stalemate; but we are going to meet on Saturday, both the horsemen, Delaware Park, a couple of the Commissioners, and a person from the Governor's Office will sit down Saturday morning and see what we can do to keep it moving forward or get it moving forward. So, I don't have any specifics to report. There have been a lot of points agreed to through the fall, and the bottom line is the bottom line, and that's the financial relationship and that's what will be discussed on Saturday morning."

**Discussion:**

Commissioner Decker: "Mr. Vild, I presume you're moving forward with your 100-day meet and putting out a (condition) book?"

Mr. Vild: "Yes, that's correct."

Mr. Mooney: "The (condition) book goes out Monday (February 18, 2013) with stall applications."

4. **NEW BUSINESS**

A. **Voiding of Claims – Rules Discussion (Delaware, New York, and California)**

Chairman Patterson discussed recent action by New York and California to amend their rules to expand situations in which a claim is voidable.

A 1. **Voiding of Claims Amendment to Rules & Regulations**

Upon a motion duly made and seconded, the Commission will draft proposed rule changes to expand situations in which a claim is voidable.

A 2. **March 6, 2013 Monthly Commission Meeting**

Due to a scheduling conflict the DTRC meeting, tentatively scheduled for 10:15 a.m., on Wednesday, March 13, 2013, was changed to 10:15 a.m., on Wednesday, March 6, 2013.

A 3. **Chairman Patterson read into the record New York's Emergency Rule (4038.5)**

- The claim is voidable at the discretion of the new owner pursuant to the conditions stated in section 4038.19 of this subchapter unless the age or sex of such horse has been misrepresented, and subject to the provisions of subdivision (b) of this section; and
- A claim shall be void for any horse that dies during a race or is euthanized on the track following a race; and
- A claim is voidable at the discretion of the new owner for a period of one hour after the race is made official for any horse that is vanned off the track after the race. In the event more than one person should enter a claim for the same horse, the disposition of the horse shall be decided by lot by the stewards. Any horse so claimed shall then be taken to the test barn for delivery to the claimant after the test sample is taken.

**Discussion:**

Dr. Teichner: "Will anyone be with the horse?"

Chairman Patterson: "Obviously you vets make the decision whether a horse is vanned off."

Mr. Wayne: "Dr. Teichner, are you concerned that the new claimant may harm the horse on the way back?"

Dr. Teichner: "Yes."

Ms. Gruwell: "Most of the horses that are claimed do have the option of going to the test barn. I wonder what percentage of horses claimed break down."

Chairman Patterson: "(Worth doing) if you can save one horse from a catastrophic injury if dropped-in a race because the owner wants to be rid of the horse."

Ms. Gruwell: "You can get claiming insurance on the horse."

Chairman Patterson: "That doesn't help the horse."

Mr. Colton: "Over the course of my career, there have been times where a trainer has been unscrupulous. I've had trainers whisper in my ear that, whatever happens, this horse is a starter, and, don't let this horse get scratched before the race."

Chairman Patterson: "We should add language that if a horse is claimed and vanned off then the horse goes to the test barn."

Mr. Burkhardt: "Scary to just let the horse go off for an hour. Who is in charge of that horse?"

Mr. Mooney: "California provided three days and nobody wants a horse back that's been out of their control for three days."

Dr. Peters: "The claimant has one hour with their own veterinarian to do anything they want to the horse – and that's wrong. They put the claim in and that ought to be it. So, the horse needs to be under the supervision of the claimant's veterinarian."

Ms. Locke: "At our board meeting (DTHA) the biggest concern was what happens when the horse is turned over to the new owner."

Mr. Mooney: "My problem is what happens to the horse when the claimant decides he doesn't want the horse and he tells the veterinarian to get rid of it."

Dr. Peters: "My point was to have the horse brought to our office (Commission Veterinarian's office) and we (the Commission Veterinarian) supervise the horse, (supervise) the claimant, and (supervise) who ever the claimant brings with him and that'll probably be their (claimant's) own veterinarian."

Chairman Patterson: "The hour is important because the owner may not be on-site so you need time for instance for the authorized agent to call an owner to ask if he still wants the horse after being vanned off."

Secretary/Commissioner Stegemeier: "Maybe we need a group to write the language."

Chairman Patterson: "I was going to suggest that Fritz (Associate State Steward, Mr. Burkhardt) call New York and ascertain..."

Mr. Burkhardt: "I already talked to New York."

Chairman Patterson: "Andrew (Commission Counsel Kerber), to institute a new rule and have it in place for racing, we'd have to meet in March, right?"

Mr. Kerber: "Yes."

**B. 2012 Capital Budget (DRA) – 4<sup>th</sup> Quarter Update**

Report contained in Commission meeting materials.

**Discussion:**

Mr. Vild: "I am available to answer any questions."

Secretary/Commissioner Stegemeier: "Can you explain what a 'rail setting' is?"

Mr. Vild: "Last year we added a new rail setting; there are four settings instead of three."

Commissioner Decker: "There was an agreement about how much was to be spent on the backside, correct?"

Mr. Vild: "Up until the contract there was an agreement to spend a set amount on racing-related expenses. My best recollection is 2.5% of net slot commissions."

Commissioner Decker: "What is that?"

Mr. Vild: "If my recollection is correct it is the tracks' take from the slot machines."

Commissioner Decker: "A substantial amount?"

Mr. Vild: "Yes."

Commissioner Decker: "John, (Executive Director Wayne) is the final audit report for 2012 in from Horthy & Horthy?"

Mr. Wayne: "In response to Commissioner Decker's e-mail inquiry about audit reports, I received the following reply from Mr. DeLucia. 2<sup>nd</sup> quarter – testing and review has been completed and final report should be issued soon. 3<sup>rd</sup> quarter – testing has been completed and review of the work papers should occur this week. 4<sup>th</sup> quarter – testing and field-work will take place in the next few weeks when the financial statement audit commences.

**C. Report on February 6, 2013 THA/Mid-Atlantic Medication Meeting**

Chairman Patterson reported on the THA/Mid-Atlantic Medication Meeting, held at Delaware Park on February 6, 2013, saying the "Purpose was to education representatives from other jurisdictions and get their input. The ultimate goal of the meeting being that the reps would then go back to their commissions and hopefully implement the program. Understanding and commitment is what our intention is. And our intent is to put the rules in action in 2014. Now chairman of ARCI and my ultimate goal is to see this uniformity through to completion." Chairman Patterson read into the record from Table 3.

**C 1. Report on February 6, 2013 THA/Mid-Atlantic Medication Meeting**

Upon a motion duly made (Stegemeier) and seconded (Decker, Killeen) the motion to support the concept of Table 3 presented at the Mid-Atlantic meeting on February 6, 2013 passed unanimously.

**Discussion:**

Ms. Gruwell: "I thought that Alan said they were not going to use the emergency substances. I marked out a big X on that and wrote that they were not going to go with emergency substance because they thought it would cause too much gray area."

Chairman Patterson: "I don't remember that being said."

Secretary/Commissioner Stegemeier: "Alan said I'm not really comfortable and we need to take a longer look."

Chairman Patterson: "That's right but it's not eliminated. And for that very reason a public announcement has not been made."

Commissioner Killeen: "Question for Joe Strug, in the minimum withdraw, times there are at least five drugs that are listed; when will they be able to determine withdraw times?"

Mr. Strug: "The work is in progress. I think it's a matter of looking at the statistics as to what number they are going to pick."

Commissioner Killeen: "Shortly?"

Mr. Strug: "This year, and our intention is to have it approved in 2014."

Secretary/Commissioner Stegemeier: "Chairman Patterson, are you going to make copies of this chart available?"

Mr. Wayne: "We were asked not to."

Chairman Patterson: "Correct."

Commissioner Decker: "What was the thinking behind not making public copies?"

Chairman Patterson: "We want to see if we have buy-in from all jurisdictions before going public. Saying, 'Yes, we're going to move forward and this is what we're going to move forward with.' Everyone was cautioned to not speak to the media but one person left early and didn't hear that announcement and, when she left, she *tweeted* the next morning. So, I could hand this out to everyone. DTHA Executive Director Gruwell has it so the horsemen certainly have it. But we were asked to keep it under wraps until March."

Ms. Locke: "We were talking about communicating with the horsemen to generate buy-in. Should we wait until March? We want to be proactive."

Chairman Patterson: "Bessie was at that meeting and knows what was stated. So just do what you feel comfortable with. Rick Violette (THA) was there representing the horsemen. The Illinois group was represented by a commissioner and a horseman.

Mike Vallezzi from Pennsylvania (THA) was there and Dave Richardson from Maryland (THA). So, the horsemen were pretty well represented."

Ms. Locke: "I was talking about our horsemen here."

Chairman Patterson: "I know what you're talking about and I can't tell you to do that. We were told to keep it under wraps until March."

Secretary/Commissioner Stegemeier: "That's premature because they were charting the earliest would be January 2014."

Chairman Patterson: "Yes, we have lots of time for discussion."

Commissioner Decker: "Are you looking for a motion today?"

Chairman Patterson: "Yes, I'm looking for a motion that we would support this."

Commissioner Decker: "I know that some of this stuff is very contentious."

Chairman Patterson: "It's not as contentious as you think."

Commissioner Decker: "Well it certainly is. If they include an emergency administration clause then I am not for it, period."

Chairman Patterson: "And that's fine."

Secretary/Commissioner Stegemeier: "I think there were some people in that group that were not in favor of that either."

Chairman Patterson: "Agreed, Bessie's take was that it was going to be eliminated."

Mr. Strug: "I agree with Bessie, I thought they were pretty strong on that point that they don't have to make an emergency, you can have withdraw times lowered."

Chairman Patterson: "Then I recommend we say we support it without the emergency substance clause."

Commissioner Decker: "Okay. Secondly, by having a motion to move forward I'm not sure what that means; it's taken under consideration? I'm not demanding we add some more specificity to it, with this exception; we know what happened in New York with Clenbuterol. And they are the big dog that wags the tail and we're sort of the tail. Just look at the average daily purses. If it comes down to enacting these rules on medication and we move before New Jersey, Pennsylvania or even Maryland, I don't believe that's in the best interest of racing nor the horses that will be showing up here."

Chairman Patterson: "That is not the intention of anyone. No one wants to operate on an island."

Commissioner Decker: "I understand that, but by moving forward are we meaning we are going to eventually move to rule hearings for the implementation regardless of what everybody else does? What (will happen) if New York backs off of Clenbuterol?"

Chairman Patterson: "I don't think anyone is saying that, Jim."

Commissioner Decker: "I think that ought to be clear in the records. I am willing to move forward but I'm not willing to set up a situation in which we've disadvantaged ourselves."

Mr. Wayne: "What Chairman Patterson is asking for is for a consensus on the Commission that, yes, we support the proposal and that this is going to go to ARCI model rules for review as well. The concept of this document."

Commissioner Decker: "I'm willing to support the concept but I may not agree with all the specifications of the medication. I don't want to indicate to anybody that I would; that a motion now is such that I endorse every specification regarding each and every medication."

Chairman Patterson: "We're not asking you to do that although there has been a lot of research done with this."

Commissioner Decker: "I'm not disagreeing with that or disallowing that I'm just saying I may not in some circumstances support each and every detail on the medications."

Chairman Patterson: "There's a lot of work to be done on this as John just articulated. What we're going to do – we have to go out to a lot of these jurisdictions to get buy-in on this. The thought was if the Mid-Atlantic can say that we are supportive of this it will go a

long way to encourage other jurisdictions to buy into it. And that's the whole purpose of this right now. Many jurisdictions couldn't enact these rules until 2014 anyway; we're kind of the exception. There are only a few states that can move as quickly as we can. Secretary/Commissioner Stegemeier: "The West Virginia situation was that they could agree to uniform medication but they cannot change a rule without going to their state legislature for approval and they have to submit those proposed rule changes by June 2013 so that they can be reviewed in 2014 when they go back in session in March 2014." Chairman Patterson: "Yes. So, unfortunately, assuming we continue to move forward on this and jurisdictions implement, it some may be later than 2014. The feeling was, and correct me if I'm wrong; the consensus was if we in the Mid-Atlantic can't get our act together and do it as a group then the chances of this happening nationwide are almost nil."

Mr. Strug: "Alan was very definitive saying that everyone has to agree together."

Commissioner Decker: "No one can agree together. Every jurisdiction has a different procedure. No one agrees together."

Mr. Strug: "That was the intent."

Commissioner Decker: "Wonderful. Did they discuss the procedures for doing this together?"

Chairman Patterson: "It's not *kumbayah*, Jim."

Commissioner Decker: "I move that this Commission endorse the efforts to arrive at model rules concerning medication while preserving the prerogative of this Commission to determine its own timing and any specific objections it has to a model rule on a particular drug."

Chairman Patterson: "Is there a second?"

Commissioner Decker: "For lack of a second..."

Ms. Locke: "I want people to understand that back in November all the members of the THA which includes all the Mid Atlantic tracks, Parx, Delaware, New Jersey, New York; we all agreed that we have to have uniform rules in support of this. There are some details that have to be hammered out but I think the general feeling was that the industry has to do this. We certainly don't want the federal government doing it and as long as the vets are involved and we have good solid reasons for doing what we have to do the horsemen that are THA Mid Atlantic are on board with this. Hopefully Alan and the THA can work together to coordinate this to work together at the same time."

Commissioner Decker: "I appreciate your comments because we all feel that way."

Commissioner Killeen: "I think it's great that there is consensus by all the jurisdictions but I understand what Commissioner Decker is saying. The government does come into it by making the rules work. It may take us a few weeks less and it may take West Virginia a few months longer, but I think on board having something on hand that everyone agrees on is a step in the right direction and I think we have to support that step in the right direction. I just think it's going to take a lot longer than anticipated to get this through and I understand what Commissioner Decker is saying."

Mr. Wayne: "Some jurisdictions may adopt this as a reference to model rules, too."

Secretary/Commissioner Stegemeier: "I think Commissioner Decker's points are well made and I do support his motto. But I think at this point it may be that we're pushing this too far ahead. Let's just support the concept of moving ahead and when the time comes, we will make our decisions as to whether or not we agree with the findings of the group."

Chairman Patterson: "That's all that we are really asking for."

Secretary/Commissioner Stegemeier: "Then that's my motion."

Chairman Patterson: "Any second?"

Commissioner Decker: "Second."

Commissioner Killeen: "I'll second that, too."

Ms. Perkins: "The motion is, 'to support the concept of model rules for establishing model rules for therapeutic medications presented by the THA/Mid-Atlantic Medication Committee?'"

Chairman Patterson: "No, the reason I'm against supporting the 'model rules' is we're pretty far away from any model rule."

Chairman Patterson: "We're really just supporting this specific document."

Mr. Wayne: "May want to make a motion to support the provisions of Table 3 presented at the Mid Atlantic medication meeting."

Secretary/Commissioner Stegemeier: "It's all non-binding, we're going to have to see how everything evolves."

Chairman Patterson: "As you well know if someone says there is no way we're doing this we'd rather know now otherwise we're chasing windmills."

Chairman Patterson: "Is everyone comfortable with what we just approved? We're just approving the concept of Table 3."

**D. Dr. Jay Baldwin: Salix administration program at Delaware Park**

Dr. Baldwin addressed the Commission:

"By way of review, we did institute a Lasix (Salix) administration program at Delaware Park for last season (2012). My assessment of it is that it went okay; there are a couple things that could be improved. We would be willing to do the same program again but we would have to increase the fee. The fee was \$15 for 2012 which is below the going rate anyway. And in fact, certain knowledgeable people in the racing community heard that the fee was \$15 they were surprised that it wasn't higher. So anyway, the going rate in the region is \$20 even the state-run programs. The reason we'd be interested in raising the fee is in Thoroughbred Lasix (Salix) programs as we've discovered here and elsewhere, about 80% of the cost is the veterinarians. You have to have at least three veterinarians especially here at Delaware Park with the layout here there were certain days we had more than three. Also my projection of the number of horses that would race here was too high for last year. So, we'd be willing to do the program again but we have to raise the fee to \$20 per treatment. Glad to entertain questions now or via e-mail or telephone in the future."

**Discussion:**

Secretary/Commissioner Stegemeier: "What other Thoroughbred tracks are you administering Salix?"

Dr. Baldwin: "Penn National."

Secretary/Commissioner Stegemeier: "Are you raising your rate to \$20 there?"

Dr. Baldwin: "It's been \$20 ever since we started."

Secretary/Commissioner Stegemeier: "What about in Delaware, are you doing Dover and Harrington? And that's how much?"

Dr. Baldwin: "That's a completely different system, but it's \$10. It's a central station where horses are brought to the station and it's a whole different ball game. We also do several other Standardbred tracks in the region with the same system. The fee for Standardbred is generally \$15. Because of some of the economics of Standardbred racing in Delaware, one of the tracks in particular hasn't been that healthy, we try to keep the fee at \$10 for Delaware; also because of the support that we have from the Commission and the racing community. But, generally, the fee for Standardbred is \$15 even with the central treatment station."

Secretary/Commissioner Stegemeier: "Did you under estimate the cost based upon your over estimating the number of horses you would be treating?"

Dr. Baldwin: "To a certain extent that was one factor, yes."

Secretary/Commissioner Stegemeier: "Does it require a veterinarian to administer the Salix?"

Dr. Baldwin: "Yes."

Secretary/Commissioner Stegemeier: "And you have all veterinarians doing this?"

Dr. Baldwin: "Oh, yes sir. We have reliable, experienced, dependable, veterinarians, which isn't the case everywhere. To do the program that we do privately, for instance at Penn National, where there are a lot more horses racing per day we have three veterinarians. At Keeneland it took 6 or 8 (veterinarians) using the state-run program with a lot more mistakes."

Secretary/Commissioner Stegemeier: "Whatever the industry average is that's fair. My concern is that this is going into our second year and we're looking at a 33% increase. How long will you be able to hold the \$20?"

Dr. Baldwin: "We don't have any plans to raise that fee."

Secretary/Commissioner Stegemeier: "Would you give us a guarantee as to a time period without a raise?"

Dr. Baldwin: "At least a couple of years."

Secretary/Commissioner Stegemeier: "Like 3 years?"

Dr. Baldwin: "Yes, we could do 3 years if we continue to do the program, yes. I think that's reasonable. I can't guarantee it but I would say that seems very reasonable to me."

Secretary/Commissioner Stegemeier: "Wait a minute, who can guarantee it?"

Dr. Baldwin: "We don't have a guarantee of the cost of Salix. For instance, if at some point the cost of Salix is multiplied by ten, something like that, and there have been instances where there was no Salix available in the country. We had it all because we bought it six months in advance. You do get unusual situations that couldn't be predicted."

Secretary/Commissioner Stegemeier: "Put an asterisk next to it then."

Dr. Baldwin: "We knew this was a trial run especially at Delaware Park, which was a great place to do a trial run because it's a really well run track. But the fee, I mean when you have urine catchers in the test barn saying 'Doc you can't possibly be making money off of this thing' you know that your fees are probably too low."

Commissioner Decker: "Can you expound a little bit on the type result, or, perhaps the hypothesis you're operating under and what you hope to find?"

Dr. Baldwin: "Well, it's not our idea or our concept to do this, it's the RMTc's and a couple other organizations. The AAEP was wanting to minimize the contact of practicing veterinarians with horses on the day that they're in to race. We're not really practicing veterinarians; we're an independent service that is not carrying a bunch of other medications with us. So, we are your independent Salix service that goes in to treat the horse. All we could put is Salix in the horses that minimizes contact from the practicing veterinarians."

Commissioner Decker: "Is there a standard dosage that you apply or does it vary?"

Dr. Baldwin: "It varies from 2 to 10 cc's (cubic centimeters) depending on what the trainers decided with their own veterinarian."

Commissioner Decker: "Do you follow up with the horse after the race?"

Dr. Baldwin: "To see how the horse did?"

Commissioner Decker: "Yes."

Dr. Baldwin: "That's up to their own practicing vet."

Commissioner Decker: "Do you get any information back from them?"

Dr. Baldwin: "Yes, we do from time to time, usually it results in increasing or decreasing the dose of Salix."

Commissioner Decker: "The thing I'm curious about is whether they bleed through various dosages."

Dr. Baldwin: "It does happen."

Commissioner Decker: "Yes, I know it does, I've had a number of them myself."

Mr. Wayne: "Beside Harrington, Dover Downs, Delaware Park, and Penn National, what racetracks do you provide service for?"

Dr. Baldwin: "For Standardbred at Freehold, Harrah's Philadelphia (which used to be called Harrah's Chester), Rosecroft, and Ocean Downs. And, by the way, in Maryland it looks like this year the Standardbred dates will be over 100 days."

Mr. Wayne: "Ocean Downs is spread out as well right?"

Dr. Baldwin: "They come to a central station, but they have recently closed their barn area and they ship-in. But even when it was open they came to a central Salix station."

Commissioner Decker: "What do you need from us?"

Dr. Baldwin: "Just wanted to let everyone know that we'd be interested in doing it again but we have to increase the fee. But I don't know legally (how that works; that's not my department.)"



Mr. Wayne: "Dr. Baldwin approached me by telephone about this and he'd given me this information. I said by all means, please come to the meeting and present it to the horsemen's association and the Commissioners."

Commissioner Decker: "Do we have anything to approve or disapprove?"

Mr. Wayne: "Not really, he's just notifying us."

Commissioner Decker: "Thank you for the information."

Dr. Baldwin: "It makes sense that John shouldn't have to bring the bad news that we have to increase the fee, that's coming from me, so I should present it myself."

Secretary/Commissioner Stegemeier: "The good news is we have a 3-year guarantee."

Chairman Patterson: "Who does New York?"

Dr. Baldwin: "NYRA has their own Salix service. But I could put a couple of asterisks next to that – I know some of the people that work there and technically – off the record – some people think that NYRA's Salix service is illegal and conflicts with the veterinary code of practice in that state. I've said this before at meetings like the RMTC so it's not anything new."

Chairman Patterson: "I just want to comment that this was discussed February 6th at the THA/Mid-Atlantic meeting here at Delaware Park and it's obvious that more tracks are going to embark upon this program. Obviously, it's a model rule and the reason for it was because the perception that having a practicing veterinarian go in the horse's stall within 24-hour period just didn't smell right."

Dr. Baldwin: "Yeah, it's not a perfect system and some other issues have come up during the year but I don't think you want to go into that."

Chairman Patterson: "No. Everybody recognizes it's not perfect but it's better than what we had been doing."

**D 1. E-mail from Dr. Jay Baldwin, D.V.M., First Equine, Salix Administration, to DTRC Executive Director, Mr. John F. Wayne (Feb. 13, 2013, 4:44 PM)**

"In retrospect the Commissioner's question about lasix fees for the future was a good one since I did not put it in perspective. We have a long history of NOT increasing lasix fees. Years I have worked at various tracks WITHOUT increasing lasix fee. Freehold, increased lasix fee in 2012 after 22 years of no increase. Ocean Downs, increased lasix fee in 2012 after 17 years of no increase. Delaware Harness, no lasix fee increase in 16 years. Harrah's Philadelphia, no fee increase in 7 years since the track opened. Without this information, which I take for granted, my response may have seemed noncommittal. We avoid fee increases. Would you please pass this information on to the Commissioners and Horsemen's reps at your convenience? I think everybody would feel better."

**E. Salix Administration Coding Error – Corrected 1099 Tax Forms Issued**

Mr. Vild advised the Commission that a coding error was reported within the Incompass bookkeeping program that caused the Salix administration fee to be deducted from gross earnings reported on horsemen's 1099 tax forms issued in January 2012.

Mr. Vild reported that as a result of coding error replacement 1099 tax forms will be issued to all horsemen who had Salix administered to their horses.

- F. **Legislative Action: Delaware Jockey's Health & Welfare Benefit Board (DJH&WBB)**  
 Secretary/Commissioner Stegemeier: "One more piece of new business. Robert (Colton), Bessie (DTHA Executive Director Gruwell), John (Executive Director Wayne) and I have been struggling with the DJH&WBB in finding two active jockeys to serve on the board and we have been in Dover and asked to change the statute so we can have one active and one retired jockey. Secretary Kee has met with the right people and we have the Bill being drawn up and it is on a fast-track." "We need this change because at the January meeting we had some issues that needed to be resolved and we did not have a quorum so this will help take care of that and I look forward to hopefully a retired rider on our board who will be able to bring a lot more experience to the program."

## 5. **REPORT FROM EXECUTIVE DIRECTOR**

### A. **Summary of Activities Report**

Executive Director Wayne submitted his written report to the Commission and read into the record the statistics for the period January 1 to January 31, 2013. Report details included the following information.

	<b><u>January 2013</u></b>
Number of Persons Fingerprinted .....	3
Fingerprint Fees Collected .....	\$237.00
DTRC Licenses Issued .....	802
<i>"600 of those 802 licenses were Delaware Park employees. I have to commend Delaware Park's human resource department for organizing that effort and getting everyone in, they send people over periodically so they don't all rush in at one time. It's worked really well."</i>	
Fines & Appeal Fees Collected .....	0
License Fees Collected .....	\$8,625.00
Media Contacts .....	2
Law Enforcement Contacts .....	4
FOIA .....	1
ARCI National Surveys .....	7
ROAP Survey .....	1
Public Inquiries .....	35
VLEU .....	7
Jurisdiction Inquiries .....	17
Jockey Club Inquiries .....	1
<b><u>National Racing Compact</u></b>	
Background Investigations .....	1
National Compact Licenses .....	95

### B. **Annual Report – 2012**

Mr. Wayne reported that the annual report came out and anyone interested is invited to pick up a copy. It marks the highlights of the year. Secretary/Commissioner Stegemeier complimented Mr. Wayne, saying that every year he puts out an excellent report and said by far this year is the best report. It is extremely professional and a real asset for racing.

## 6. **REPORT FROM CHIEF COMMISSION VETERINARIAN**

None due.

7. **REPORT FROM DELAWARE THOROUGHBRED HORSEMEN'S ASSOCIATION**

A. **Delaware Certified Thoroughbred Program**

Executive Director Gruwell reported activity through January 2013. (Attached)

**Discussion:**

Executive Director Wayne questioned a discrepancy in the balance statement. Ms. Gruwell will review the checkbook and reply to Mr. Wayne.

B. **Rule 13.13.2**

DTHA President, Ms. Madeline Locke questioned DTRC Rule 13.13.2 – dealing with the filling of a race.

Ms. Locke: "Usually we address this issue when drafting our contract. The Commission may want to be involved in determining if a race will go off – and not cancel the races when races don't fill."

Mr. Vild: "Anyone who makes a suggestion that we're cancelling races just for the fun of it doesn't know what they are talking about – costs us money costs us reputation."

Commissioner Decker: "When a card is cancelled does the track do anything to make up those race days? You need to race a certain number of days and except for an act of God you must race the number of days."

Mr. Vild: "We must run the number of days per slots license. If you scheduled the days and for reasons not under your control you are not able to race them then so be it. I'm not saying that at any given time the Lottery Director may rule for or against that. If we cancel a day in July or August, the likelihood of making up that day is much less. It has been our practice not to reschedule canceled days even if it takes us under the 100-day limit. Talked with the horsemen about reserving a number of days within the contract for makeup days."

Mr. Mooney: "The horse population is down everywhere and I think you need to pay attention to what goes on in the industry. Aqueduct is cutting back on days, they can't fill their races even with the purses they have at the present time. So this is not a problem just occurring in Delaware this is occurring in the entire industry."

Mr. Vild: "When you walk through the simulcast area any day Aqueduct is running it's 6 horse field, 5 horse field, 7 horse field, 6 horse field, race after race after race day after day after day."

Commissioner Decker: "Just a side comment, Mr. Vild, about the lottery office, I think if you ran 50 days they would find it in the best interest of the State to continue your gaming license."

Mr. Vild: "I won't argue with you but unfortunately that's a decision that's not within my control. And any time we cancelled races in the past we have had the opportunity to fill those same races another day. It is not just a Delaware problem."

8. **PUBLIC COMMENT**

**Mr. Joe Strug:** "We're working on those threshold levels."

Chairman Patterson: "Yes, that came out loud and clear that levels would be a challenge, and we will be sympathetic but we want you to do it."

9. **EXECUTIVE SESSION**

At 12:01 p.m., upon a motion duly made (Killeen) and seconded (Decker) the Commission moved into Executive Session to discuss personnel issues. At 1:00 p.m., upon a motion duly made and seconded, executive session was closed and the Commission returned to public session.

10. **ADJOURNMENT**

At 1:00 p.m. the meeting was adjourned. The Commission will meet next on March 6, 2013.

Sent from my iPhone

#4: D.

**DELAWARE CERTIFIED THOROUGHBRED PROGRAM**

Friday, February 01, 2013

2011	DCTP Applications	Foals	Yearlings	Totals
	Jan - Mar	0	31	31
	Apr - Jun	4	57	61
	Jul - Sept	10	63	73
	Oct - Dec	43	120	163
	Total Applications	57	271	328

2012	DCTP Applications	Foals	Yearlings	Totals
	Jan - Mar	0	25	25
	Apr - Jun	1	52	53
	Jul - Sept	9	39	48
	Oct - Dec	35	71	106
	Total Applications	45	187	232

2013	DCTP Applications	Foals	Yearlings	Totals
	Jan - Mar	0	8	8
	Apr - Jun	0	0	0
	Jul - Sept	0	0	0
	Oct - Dec	0	0	0
	Total Applications	0	8	8

Total DCTP Applications to date: 3121

2013 DCTP Horses of Racing Age: 3068

245 (2 yr. olds), 349 (3 yr. olds), 450 (4 yr. olds), 2024 (older horses),

<u>Year</u>	<u># of Starters</u>	<u># of Starts</u>	<u>1st</u>	<u>2nd</u>	<u>3rd</u>	<u>15% DCTP Earnings</u>	<u>15% Certifier Awards</u>	<u>Total Annual Awards</u>
2013								
2012	318	943	138	140	146	\$ 437,340.00	\$409,503.00	\$ 846,843.00
2011	414	1331	166	189	181	\$ 715,099.86	\$773,251.86	\$ 1,488,351.72
2010	364	1150	142	180	146	\$ 705,631.25	\$778,203.75	\$ 1,483,835.00
2009	287	922	105	120	121	\$ 511,810.00	\$584,382.50	\$1,096,193
2008	210	690	94	82	109	\$ 367,963.60	\$433,265.20	\$801,229
2007	271	608	90	87	102	\$331,809	\$355,609	\$687,418
2006	139	476	68	61	72	\$201,286.80	\$214,936.80	\$416,224
2005	99	366	52	49	53	\$179,690.00	\$193,340.00	\$373,030
2004*	56	134	20	19	19	\$44,947.00	\$44,947.00	\$89,894
2003*	9	17	7	3	2	\$13,505.00	\$13,505.00	\$27,010
<b>Total DCTP</b>								<b>\$7,310,026.62</b>

- \* DCTP owners and certifiers received 10% each bonuses in 2003 & 2004
- \* DCTP owners and certifiers received 15% each bonuses in 2005 thru May 2008
- \* DCTP owners and certifiers received 20% each bonuses beginning June 1, 2008
- \* DCTP owners and certifiers received 25% each bonuses beginning April 25, 2009
- \* DCTP owners and certifiers received 20% each bonuses beginning April 30, 2011
- \* DCTP owners and certifiers received 15% each bonuses beginning May 12, 2012

#7.A

Current Delaware Farms enrolled: 82